State of Utah Division of Oil Gas & Mining Mining/Exploration Summary

LARGE MINING OPERATION Permt # M270007 Name: DRUM MINE **Permit Status** Mine Status Ownership Location Status: APP Approved: Status: FOR Surface: BLM UTMX: 326,910 Recieved: 07/08/1983 11/28/1983 Date: 01/07/1999 Mineral: BLM UTMY: 4,377,373 Tent Appr: 10/03/1983 Methods Minerals Mined/Explored: GOLD Surf/Under: SURFACE Methods Used: **Bonding Permit Fees Date Sent** Date Received Approved Acres Acres Released Date Released 06/26/1998 11 137 Λ 11 **Bond Type** Fee Received Cash Receipt **US TREASURY & SURETY** 0 Bond Amount: **Date Bond Expires: Deliquent Notice** \$ 429,080 08/03/1994 11 Comments: 3/7/2001 - Reclamation work on the Drum Mine is nearly complete. As part of the settlement agreement, DOGM agreed to pay the costs for the lab analyses of rock samples put throug a meteoric water mobility test to determine th epresence & mobility of heavy metals in the mine dumps & heal leaches. BLM also helped with this expense (\$24,000). This along with attorney fees to help with the bankruptcy filing of the Jumbo bond, \$15,000 more was expended. This \$15,000 was paid from the Minerals Progam funds in order to balance the books on reclamation of this site. 3/5/2001 - Received letter from DWQ stating reclamation activities have been complertd at the Drum and the major water quality issues addressed. DWQ has no objection of releasing Western States bond. **Last Action** Action: 98 FEE Start Date: 06/26/1998 End Date: / / Fee \$0 - Receipt # **Last Inspection** Date 11/28/2000 Inspector **DJ** Date of Inspection: November 20 & November 28 Time of Inspection: 8:30 a.m. Conditions: Cool Last Annual Report 1996 137.0 Acr Reclaimed: Acreage: 0.0 Production: , , **Last Agency Action** Agency: BLM Agency ID:UTU-063447 Date: / / **Operator WESTERN STATES MINERALS CORP** 930 Oper Id: **TaxID** Contact: JIM ASHTON / BUZZ GERICK Address: 250 S ROCK BLVD STE 118 Phone: (775) 856-3339 Fax RENO NV 89502-2301 E-Mail Corporate office: 4975 Van Gordon St. Wheat Ridge, CO 80033 (303) 425-7042 - fax (303) 425-6634 Location Qaatr Qatr Qtr Section Township Range Merid Quad Sheet 07 S15.0 W10.0 S